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January 26, 2001

Via Express Mail Delivery
No. EL 438566555US

Examiner Stephen Funk
United States Patent and Trademark
Office Group 2854
Room 9D35- Crystal Plaza IV
Arlington, VA 22202


Re: *Bill L. Davis, et al*; United States 09/315,796;
Our File No. Will 2501

Dear Examiner Funk:

In connection with the above-reference reissue, enclosed please find the following documents:

- (1) Reissue Applicants' Second Submissions of Deposition Testimony -- Testimony of the Parties;
- (2) Second Supplemental Amendment Under 37 C.F.R §1.111;
- (3) Second Supplemental Amendment Under 37 C.F.R §1.111 Transmittal Letter; and
- (4) Supplemental Deposition of John W. Bird, dated November 20, 2000.

Very truly yours,


Robert Hardy Falk

RHF:tsmc
Enclosure(s)

09/315,796-052099

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Transmittal sheet
for papers 35, 36
+ 37.

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re the Reissue Application of:

BILL L. DAVIS and JESSE S. WILLIAMSON

For Reissue of U. S. Patent 5,630,363

Issued May 20, 1997

Serial No. 08/515,097

Filing Date: May 20, 1999

Serial No.: 09/315,796

For: **COMBINED LITHOGRAPHIC/
FLEXOGRAPHIC PRINTING
APPARATUS AND PROCESS**

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§ Group Art Unit: 2854
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§ Examiner: S. Funk
§ J. Hilten
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CERTIFICATE OF EXPRESS MAILING UNDER 37 C.F.R. § 1.101

TO: Honorable Commissioner of Patents and Trademarks
Washington, D.C. 20231

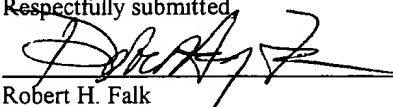
SIR:

I certify that the following documents were deposited by Express Mail No.
EL438566555US on or before 12:00 midnight this 26th day of January, 2001 addressed to:

Examiner Stephen Funk
United States Patent and Trademark Office
Office Group 2854, Room 9D35, Crystal Plaza IV
Arlington, Virginia 22202

1. Reissue Applicants' Second Submission of Deposition Testimony -- Testimony of the Parties;
2. Second Supplemental Amendment Under 37 C.F.R §1.111;
3. Second Supplemental Amendment Under 37 C.F.R §1.111 Transmittal Letter;
and
4. Supplemental Deposition of John W. Bird, dated November 20, 2000.

Respectfully submitted,



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ATTORNEY FOR REISSUE APPLICANTS

09315796-052099

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

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Examiner: S. Funk
J. Hilten

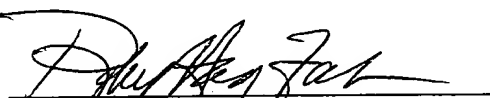
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CERTIFICATE OF SERVICE

I hereby certify that the following documents and things were served on Protestors' counsel by delivering a true and correct copy thereof to the offices of Protestors' counsel by depositing in first class mail on the 26th day of January, 2001, addressed as follows:

William D. Harris, Jr.
LOCKE LIDDELL & SAPP, LLP
2200 Ross Ave., Suite 2200
Dallas, Texas 75201

1. Second Supplemental Amendment Under 37 C.F.R §1.111;
2. Second Supplemental Amendment Under 37 C.F.R §1.111 Transmittal Letter;
3. Reissue Applicants' Second Submission of Deposition Testimony - Testimony of the Parties; and
4. Supplemental Deposition of John W. Bird, dated November 20, 2000.


Robert Hardy Falk

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#35/
Applicant's
Second Submission
of Deposition
Testimony
+ Exhibits

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re the Reissue Application of:

BILL L. DAVIS and JESSE S. WILLIAMSON

For Reissue of U. S. Patent 5,630,363

Issued May 20, 1997

Serial No. 08/515,097

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For:

**COMBINED LITHOGRAPHIC/
FLEXOGRAPHIC PRINTING
APPARATUS AND PROCESS**

Group Art Unit: 2854

2-9-01
Examiner: S. Funk
J. Hilten

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**REISSUE APPLICANTS' SECOND SUBMISSION
OF DEPOSITION TESTIMONY - TESTIMONY OF THE PARTIES**

To: The Honorable Commissioner of
Patents and Trademarks
Washington, D.C. 20231

Sir:

Attached hereto in an Appendix are the litigation depositions of the parties:

For reissue applicants/litigation Defendants:

Bill Davis, Part I, 9/20/00 (Orange) Exhibit A-1

Bill Davis, Part II, 11/17/00 (Pink) Exhibit A-2

Jesse Williamson 10/18/00 (Green) Exhibit B

For Protestors/litigation Plaintiffs:

Ron Rendleman 9/28/00 (Blue) Exhibit C-1

Ron Rendleman (Light yellow) Exhibit C-2
(Formerly under protective order)

Howard DeMoore 10/17/00 (Yellow) Exhibit D
(Formerly under protective order)

Protestors have withdrawn claims of confidentiality under the litigation Protective Order for the Rendleman deposition, the great bulk of the DeMoore deposition and exhibits (see Harris letter of January 17, 2001 attached), and the second part of the Bird deposition and exhibits.

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I.

TESTIMONY OF WPC'S VICE-PRESIDENT BILL DAVIS

Bill Davis is a Vice-President of Engineering of WPC (13:22) and has been employed by WPC since April 1974 (14:3). The '363 is his first patent (17:15-16).

Davis testified, as he has stated in the reissue prosecution (see **Reissue Applicants' Memorandum Concerning the Prior Art and Position on Patentability** filed April 7, 2000), that the '363 process came out of the earlier WIMS process technology of WPC. He discovered the WIMS process as follows:

"Our conception was a retractable rack back or something like a rack back device that was mounted interstation that had an anilox roller, a chamber doctor, and that would bring the anilox roller into contact with a flexographic plate on the blanket cylinder of an offset lithographic printing press unit and it would also require interstation drying."

"Q. So your design was an anilox roller upstream; is that right, sir?"

"A. With a chamber doctor it needed to be retractable and needed to be able to apply coatings and be positioned against a flexographic printing plate. That was our concept."

"Q. Do you, sir, take the position that the retractable coater as illustrated in figure two, all by itself and apart from the press is your invention?"

"A. That's our concept and design and it's a part of our invention.
(Emphasis supplied)"

Davis testified that the '363 process was conceived in early **June 1992** after Jesse Williamson's return from a trip to Germany (27:14-19; 18-29:17). Harry Bowyer is director of marketing and sales for Wolstenholme International (headquartered in Manchester, England) who makes finely distributed metal particles for use in pigments in inks (Dep. Part II, 5:24-25). Bowyer was present in Germany when Jesse Williamson had the idea of "going up front" with a flexographic step of some sort. After reissue applicants conceived their invention upon Jesse Williamson's return to the U.S., Harry Bowyer visited Dallas and the offices of WPC in October 1992, where Davis met him for the first time (91; Dep. Part II, 8:2-11).

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Davis further testified that early on (1992) he knew that simple modification of any one of a number of commercially available retractable coaters could perform the Davis-Williamson conceived process (38:14-17).

On June 12, 1994, Davis and Williamson met with PRI's Baker at a restaurant in Atlanta, Georgia and disclosed their invention in confidence to Baker, and inquired whether or not Baker would consider making the coater (39:14-19; 41:22; 52:1-2; 132:12-17; note esp. Dep. Part II, 35:1-46:23).

In a series of meetings with PRI's Baker and Bird from August 1994 to February 1995, reissue applicants Davis and Williamson explained their process details to Bird (52:17-24). At about this time, reissue applicants also explained their invention to PRI's DeMoore and Rendleman (70:4-6).

Davis testified that simulations of the invention were performed in Germany in January 1995 (Dep. Part II, 28:21-29) using a dedicated end-of-press coating tower (Dep. Part II, 31:11-12).

Davis also indicated he supervised and conducted tests at PRI in December 1994 (Dep. Part II, 63:3-68:15, Davis Exhibit 2).

In January 1995, Bill Davis and Jesse Williamson told PRI (Bird, Garner) that WPC would file an application on the process (135:5-20).

Davis testified that '363 Fig. 2 and the concept of using an adjustable retractable coater for interstation use with an anilox roller and chambered doctor was the Davis-Williamson concept (45:12-15), and that the selection of a particular mechanical approach of contacting the blanket cylinder [e.g., as Expert Taylor testified: "vertical," "horizontal," "4-bar," etc.] was up to PRI. Ultimately, the ferris wheel approach was chosen by Rendleman (105:19-23). An early *end-of-press* "short-arm" prototype ferris wheel device was delivered in February 1995 (52:17-24, 61:15-16), while the first *interstation* "long-arm" device was installed about September 1995 on the first printing unit on WPC's 6-unit triple tower (95:17).

II.

TESTIMONY OF WPC's PRESIDENT JESSE WILLIAMSON

Jesse Williamson, co-applicant of the '363 process and himself a multiple patentee, is President of Williamson Printing Corporation ("WPC") (5:19), one of the nation's largest and leading commercial printers, who has won at some time every award nationally offered in the printing field. WPC has 6 Heidelberg sheet-fed presses, and additionally, 2 MAN-Roland presses and 2 Heidelberg Harris web presses.

The '363 invention was conceived upon Jesse Williamson's return from Europe in late May 1992 (14:17-15:6, 55:13). He told the Germans at MAN-Roland about his idea (16:13-17:13, 47:14-48:7). On the German trip, he saw a flexo unit for the first time (54:9-14, 105:7). Upon his return, he and Davis brainstormed, and arrived at three concrete mechanical routes of performing the invention (57:13-58:1).

Williamson testified that as of 1992, WPC's existing presses were aging, and an investigation had to made of which type of presses would replace the aging equipment. He explained that the reason no equipment was installed until 1995 was that to place auxiliary equipment on old presses or remake the old presses with dedicated flexographic stations would be a waste of money (59:18-21). After a lengthy period of investigation, Kimori, MAN-Roland and Heidelberg presses were comparatively tested in May 1994 and an oral commitment to Heidelberg was made by June 1994 (64:20-24).

Williamson testified that he and Davis disclosed their invention to Steve Baker in mid-June 1994 (65:10-14, 109:15-112:4, 142:7-16). He testified that he spoke with PRI's Bird about process details "right when we [Davis and Williamson] came back from Atlanta" (159:5-6). In due course, he or Davis spoke to DeMoore, Bird and Garner about the invention in [the fall of] 1994 (66:21-25), 151:16-24), together with discussing the purchase of other PRI equipment.

The following January 1995, simulated tests of the Davis-Williamson invention were performed in German (133:5-134:23). Also in January 1995, Jesse Williamson and Bill Davis told PRI personnel - including Baker, Bird and Garner - about WPC's intent to file a process application

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on their process (168:22-169:10). On the other hand, PRI did not disclose the fact it was going to file a patent application (170:12-24, 171:6-16).

The PRI coaters cost WPC hundreds of thousands of dollars (99:16-19). In a nutshell, the PRI coaters had significant problems (99:25-100:2).

III.

TESTIMONY OF PRI's CHAIRMAN HOWARD DeMOORE

Howard DeMoore is Chairman of PRI (11:4). PRI was started in Los Angeles, California (11:16-21). DeMoore moved to Dallas in 1975-1976 (12:16-21). He owns PRI outright (15:1-2). He testified that "Printing Research is Howard DeMoore [and vice-versa]. It's - there is no distinction." (44:1-3). Howard DeMoore has a tenth grade education (25:19-21).

Howard DeMoore started making his famous Super Blue™ product in March 1981 (37:4). DeMoore's name is listed on a number of U.S. Patents, however, it is DeMoore who makes the decision at PRI regarding what gets filed as a patent application (131:3). PRI has only received one award for its engineering work, in 1985 for Super Blue™ from GATF (53:1-22).

Concerning dates of conception, DeMoore testified that his colleague, Dave Douglas' (Vice-President - Overseas Sales) interrogatory answers in the litigation were false (i.e., that PRI conceived the '363 process in October/November 1994, as Douglas stated under oath (78:2-79:22, 81:2-3)). Through counsel Harris, DeMoore testified that PRI conceived of the invention on July 7, 1994 in a meeting with Dennis Griggs, John Bird, Howard Secor and Ron Rendleman (86:6-89:18). DeMoore testified about the July 7, 1994 meeting as follows:

"Well, normally what's been happening was they would put flexo down, like on the last - on the coating unit, and then after they printed the gold or whatever it was on the first printing - on the coater unit, then let it dry and then run it back through the press and over print it.

"This way with this - with my idea was you do it in one pass, you print the gold first down or whatever color you wanted, silver, opaque, white, and - because we already had the - we had infrared dryers, we had UV, we had everything. It was natural for us. We had the coating head. We are a research company, and that's what we do, develop new products, and we had everything.

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"So when I came up with this idea I said, this is perfect. I said, we've got everything. Now if you could get me - put the head between printing units, we've got something. And so I commissioned Ron at that time to come up with some design to get between printing units with our flexo head, which we already had designed."

PRI waived the attorney-client privilege between prosecution attorney Griggs and PRI/DeMoore concerning the preparation of Serial No. 08/435,798 (attorney docket B6012) (99:21-101:25).

DeMoore testified he hired Steve Garner in April 1994 (19:24-20:1) as Vice-President of Sales and Manufacturing. In April 1994, John Bird, newly acquired, was Sales Manager. PRI now has two Vice-Presidents: Dave Douglas, Vice-President of Overseas Sales and Manufacturing (23:24) and Don Manning is CFO (24:1).

DeMoore acknowledged that inclined rack-backs were old in the art, having been made by Dahlgren, Epic and Bird's old company (110:1-8). The "ferris wheel" coater made for WPC by PRI starting with the Rendleman drawings in December 1994 is the so-called "EZI". The only coaters previously manufactured by PRI were the so-called "EZ" end-of-press coaters - only four were sold, and the item was commercially unsuccessful (120:15-25). The Bird "PB" coater was made outside of PRI by a vendor (Effertz).

DeMoore admitted he does not recall telling Davis or Williamson about the '363 process (199:24-200:3). He also admitted that he never told anyone at WPC that he/PRI filed the May 4, 1995 application Serial No. 08/435,798, and he knows of no one at PRI who did (123:17-124:8).

DeMoore denies that he was told in January 1995 that Williamson would file a patent application on the '363 process (52:24).

DeMoore called as *lies* the Baker [supplemental declaration] and Bird [supplemental declaration and deposition] testimony that they had told DeMoore of the Davis-Williamson process shortly after Baker's return from Atlanta in June 1994 (150:9-25). He indicated that he had recently found Steve Baker's travel report to Atlanta and that the trip actually was in July 1994 (145:12-147:13), but that the report was "lost" although "everybody" in the PRI office had tried to find it.

Id.

IV.

RONALD RENDELMAN'S TESTIMONY

Ron Rendleman graduated with a BBA in business and a minor in engineering from the University of Texas at Arlington in 1963 (17:21-24, 18:1). He testified that he took four years of mechanical engineering classes (19:6).

Rendleman was a mechanical designer for Dahlgren in the late 1960s through 1972 (22:1-2). Rendleman designed a dampener for Dahlgren (21:19-20), and reported to who is now Defendants' expert, Jim Taylor (22:25). Rendleman left Dahlgren in January 1988 (32:9-10). He worked for a competitor, Epic, for ten months to December 1988 (34:7). He has not seen, and did not study, any of Dahlgren's retractable coater systems (29:1-17).

Rendleman went to work for PRI in January 1992, and has been there ever since (37:16-21). Prior to that time, Rendleman had no experience in metallic inks or printing inks (38:21-24) or flexographic inks in general (40:9). Rendleman heard in early 1995 (41:10) about WPC's WIMS process from PRI employees Baker and Bird.

Rendleman, since 1999, is PRI's Director of Production Control (90:24). In the critical years of the litigation and this reissue, Rendleman reported to Dave Douglas, Vice-President of Operations (91:12-19).

Rendleman's first involvement with the patent system was U.S. Patent No. 5,537,925 assigned to PRI. His contribution was a dryer head (51:23).

The linear plate blanket coater ("PB") of Bird was never actually made at PRI (74:24), but by Effertz Tool & Manufacturing. Sales of this "PB" coater at PRI started in 1993.

Rendleman recalled at July 7, 1994 meeting attended also by PRI's Secor, attorney Griggs, DeMoore and Bird (96:6-18). The July 7, 1994 meeting (not the first meeting on the "HRC" concept) centered around discussions of the so-called "Heidelberg-Rendleman Coater", or "HRC coater" - which was an end-of-press dual-head coater which could engage the blanket and/or plate cylinder (110:22-23). The "HRC" coater was first made in January 1995 (112:4). It was never sold (112:2).

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Howard DeMoore told Rendleman to make an EZI coater during the July 7, 1994 meeting

(152:21-22). As Rendleman testified:

"Q. And you recall Mr. Bird testifying that in January of 1995 he was told by Jesse Williamson and Bill Davis that they were going to file a patent application on the flexo/litho combination process? Do you recall that testimony?

"A. Yes, I do.

"Q. Okay. Did Mr. Bird after that time, January of 1995, or at any time in 1995 inform you that Williamson was going to file a patent application on that process?

"A. Absolutely not. He never told me one thing. I was not aware of this until late 1997 or early '98 that I learned that Williamson got a patent on our invention.

"Q. In the amended complaint there is an allegation that in November of 1994 Bird and Garner showed representatives of with WPC flexographic samples.

"Do you have any knowledge - personal knowledge of that, Mr. DeMoore?

"A. No, I don't.

"Q. Do you have any personal knowledge about any disclosure of what you've called the Lithoflex system or the Lithoflex process to anybody at Williamson?

"A. I do not know. I don't know firsthand, no.

"Q. Okay. Does anybody at Printing Research know of any disclosure about the Lithoflex system or process to Williamson?

"A. I can't prove it, no.

"Q. When you say you can't prove it, what do you mean?

"A. John Bird had to tell them."¹

Rendleman denied having meetings with Bird in the fall of 1994 (93:2).

The EZ Interstation flexographic printer/coater of the '363 patent Fig. 2 was made and constructed by WPC by PRI (163:21-24). The first EZ Interstation coater was installed in January 1995 on PRI's two-color press (126:17).

¹ Bird, in his deposition, denied telling Davis and Williamson about the '363 process, but said it was the other way around via Baker's return in mid-June 1994.

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Rendleman believed that three coaters were installed by PRI at WPC, the first in May 1995 (65:5). Rendleman went to WPC, at Howard DeMoore's request, in March 1995 to get dimensions (68:13-69:1). The first EZI was installed at WPC in November 1995 (144:12). Subcontractor, Mike Ocher, did all the electrical and electrical harnessing work (172:10-11).

At the time of his deposition, Rendleman had not seen or read PRI's Complaint (210:19) or Amended Complaint (208:13). Further, Rendleman was not aware of any facts or documents which would support a claim that DeMoore was the sole actual inventor of the method of the '363 patent (211:15).

ANALYSIS

The uncontradicted testimony of the principals shows that Davis and Williamson conceived of the '363 process upon Williamson's return from German in late May 1992, with three different mechanical options to accomplish the '363 process, and that WPC thereafter engaged in a project of replacing its aging presses which lasted until June 1994, when it entered into an oral agreement with Heidelberg to purchase a number of presses.

WPC's story is that it told Baker of the invention in an Atlanta restaurant on June 12, 1994, and has supporting testimony to this effect from former PRI employee Baker, who told his PRI boss about the invention upon Baker's return to Dallas. WPC has produced the June 12, 1994 restaurant receipt both in this proceeding and the court proceeding.

Despite travel documents and an Atlanta restaurant receipt showing that Davis and Williamson actually met with Baker on June 12, 1994, DeMoore disputes being told about the WPC invention by Baker or Bird, and indicates that Baker actually had the meeting with Davis and Williamson sometime in July 1994. He indicates in the weeks just prior to his deposition he saw Baker's expense report for July 1994 to Atlanta. However, DeMoore indicates that he has lost the recently found Baker travel expense report. *This story is simply unbelievable on its face. DeMoore is essentially admitting that he lost, in his office, original evidence, and kept no copies, critical to his case in an area where he had the burden of proof.*

DeMoore claims he came up with the invention in a meeting with counsel on July 7, 1994, and told Rendleman to make an interstation coater. Generally, oral testimony may be used to corroborate the testimony of a witness of an inventor for priority purposes, so long as it is appropriately scrutinized. Jardine v. Long, 58 F.2d 836, 837 (CCPA 1932). Such a story about a meeting with counsel is uncorroborated by any other witness brought forward by PRI other than PRI applicants DeMoore and Rendleman. The story was rejected by PRI co-applicant Bird. Rendleman and DeMoore and Bird are the alleged Serial No. 08/435,798 inventors. Some form of corroborating evidence is required in addition to the three PRI applicants' testimony. Burroughs Welcome Co. v. Barr Lab. Inc., 40 F.3d 1223, 1228 (Fed. Cir. 1994); Price v. Symske, 988 F.2d 1187, 1194-6 (Fed. Cir. 1993). If the alleged inventor's oral testimony is not corroborated, it cannot be credited. AMP, Inc. v. Fujitsu Microelectronics Inc., 853 F.Supp. 808, 821 (N.D. Pa. 1994). The testimony, were it to occur, of attorney Griggs is subject to great scrutiny. Gianladis v. Kass, 324 F.2d 322, 327-8 (CCPA 1963). Such testimony by employees/co-applicants of an adversary and their attorney are scrutinized in the law with great particularity - especially 6 years after the event. Schwartz v. Graeng, 81 F.2d 767, 778 (CCPA 1936). Moreover, there is inconsistency in what little evidence that exists. The invoice of the attorney, Dennis Griggs, indicates that an "office conference" (i.e., at Griggs office) occurred on July 7, 1994, *but the documents indicate only DeMoore and Bird and Griggs attended* (see DeMoore Dep. Exhibit 6 at PRI 01672-1673).

Despite waiving the attorney-client privilege in the attorney Griggs files (Rendleman Dep., 101:1-25, see also 99-100), PRI has never produced the attorney files for Griggs docket no. B6012 - the docket number for what became Serial No. 08/435,798 (see 1/26/01 letter of Bill Harris attached). Since PRI was in sole possession of Baker's travel expense report for the summer of 1994 to Atlanta, and since PRI was in sole possession of Griggs' attorney record for file B6012, the law infers the truth of those unproduced records is *adverse to* Protestors. Eastman Kodak Co. v. Goodyear Tire & Rubber Co., 114 F.3d 1547, 1560 (Fed. Cir. 1997); Borrer, et al. v. Herz, et al., 666 F.2d 569, 571 (CCPA 1981); Walker v. Bailey, 245 F.2d 486, 491 (CCPA 1957); Tzu Wei Chen

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Food Co., Ltd. v. Chia-Chi Enterprises, Inc., 73 F.3d 379 (Fed. Cir. 1995, unpublished). Professor

Wigmore states the rule as follows:

"The nonproduction of evidence that would naturally have been produced by an honest and therefore fearless claimant permits the inference that its [tenor is unfavorable to the party's cause]."

J. Wigmore, EVIDENCE §285 at p. 162 (3rd ed. 1940), as cited by Judge Tamm (concurring in part, dissenting in part) in International Union, United Automobile Aerospace and Agriculture Implement Workers of America (UAW) v. NLRB, 459 F.2d 1329, 1349 (D.C. Cir. 1972.) The reason for the rule is that the adverse party cannot properly examine the witness when there are critical documents that are withheld. See also, Day & Zimmerman Services v. United States, 38 Fed. Cl. 591, 602 (Fed. Cl. 1997). For the "adverse inference" rule to be applicable, the following must be shown:

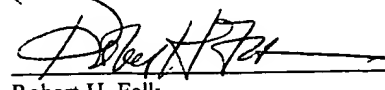
- (1) it appears that the documentary evidence exists or existed;
- (2) the suppressing party has possession or control of the evidence;
- (3) the evidence is available to the suppressing party, but not to the party seeking production; and
- (4) it appears that there has been actual suppression or withholding of evidence.

Gilbert v. Losco, Inc., 989 F.2d 399, 406 (10th Cir. 1993). All four factors exist here as to both the attorney records of Serial No. 08/435,798 and the highly relevant summer 1994 Baker travel expense account records regarding the critical trip to Atlanta.

Finally, neither DeMoore or Rendleman ever testified exactly when, let alone what, they told Davis and Williamson about the '363 process.

The facts are clear. Were the case to proceed in court or adjudicated in the PTO in an interference on this record, WPC would prevail, in all probability by summary judgment.

Respectfully submitted,



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